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DECEMBER 1988

OREGON LABOR TRENDS

—W.E. Hunter, Administrator • State of Oregon • EMPLOYMENT DIVISION • Department of Human Resources—

INDICATORS

UNEMPLOYMENT RATE

Oregon (Seas. Adj.)

Nov.	1988	5.6
Oct.	1988	5.6
Nov.	1987	5.5

United States (Seas. Adj.)

Nov.	1988	5.4
Oct.	1988	5.3
Nov.	1987	5.9

WAGE AND SALARY EMPLOYMENT INDEX

Oregon (1977=100)

Nov.	1988	124.3
Oct.	1988	123.4
Sept.	1988	122.4
Aug.	1988	122.2
July	1988	121.5

PRODUCTION WORKER AVERAGE HOURLY EARNINGS

Oregon

Oct.	1988	$10.68
Sept.	1988	$10.54
Oct.	1987	$10.45

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Oct.	1988	40.4
Sept.	1988	39.6
Oct.	1987	38.8

CONSUMER PRICE INDEX (CPI)

1982-84=100
ALL URBAN CONSUMERS

Portland-Vancouver

Jan.-June 1988	113.6
Yearly change	3.4%
Annual Average 1987	110.9
Yearly change	2.5%

United States

Nov. 1988	120.3
Yearly change	4.2%
Annual Average 1987	113.6
Yearly change	3.6%

Portland Hotline 221-4132

NOVEMBER - "STEADY AS SHE GOES"

Michael D. Staten

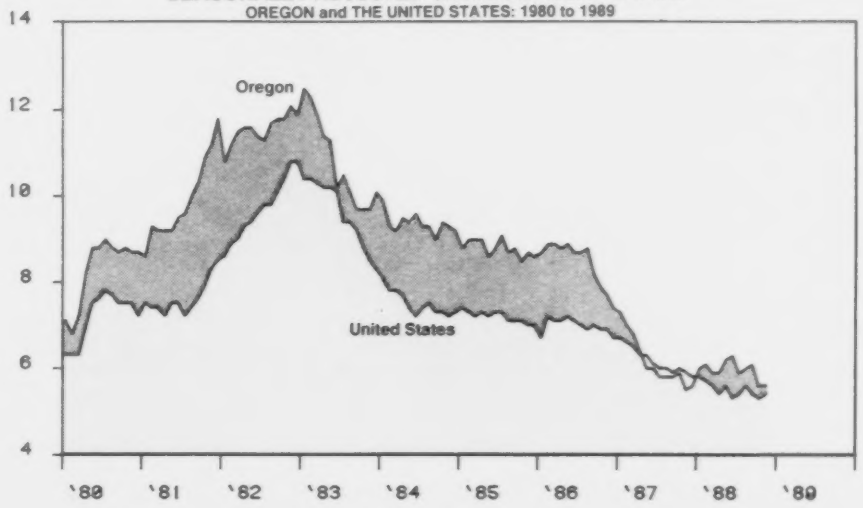
It seems that some records are always made to be broken and mine are no exception. When I began writing this article, I thumbed through my archives of articles to determine when I last wrote the "lead" article for **Oregon Labor Trends**. I strongly believed that my 38 month absence from the front page of this esteemed publication must have been a record; one that I had the honor of breaking myself. But then I found a far more interesting record that had just been broken. (I must admit, I did find a clue from a previous edition of **Oregon Labor Trends**.)

I discovered that in November 1988, Oregon's monthly employment statistics demonstrated a "first of its kind" phenomenon; a gain in both the total employment and nonagricultural wage and salary employment levels from October. This is the first time that such a gain has occurred since the records were begun in 1947.

The total employment gain this year between October and November (1,500) was substantially greater than the 6,800 loss during the same time period in 1987. In addition, the gain in nonagricultural wage and salary employment exceeded last year's increase by fourfold (1,600 vs 300). Consequently, this was the first ever instance when the two indicators moved in a positive direction between October and November. This is dramatically reflected in the two accompanying graphs. In addition to all of this, November 1988 nonagricultural wage and salary employment posted a 55,400 increase over the year ago level, representing a healthy 4.9% growth. A comment should be added at this point that the annual benchmarking process for revising employment data (which is currently underway) may not support this trend, as happened last year.

SEASONALLY ADJUSTED UNEMPLOYMENT RATES*

OREGON and THE UNITED STATES: 1980 to 1989



*Civilian Labor Force Only

The downside of this good news, however, is that over half of the new jobs created in the past year appeared in the retail trade and services sectors; jobs which are historically in the lower pay levels. While this is indeed the season to see employment increases in these two industries, the October to November gain was significantly stronger (4,200) than anticipated in services.

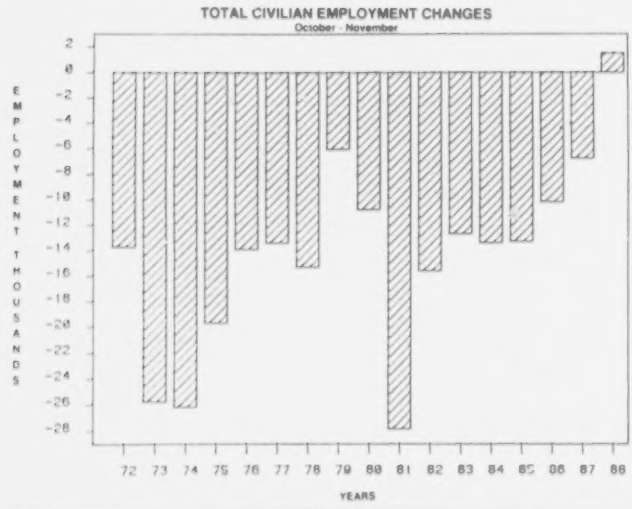
Oregon's overall economic health appears to be holding steady and making continued progress in creating new jobs over the year, as demonstrated by the nonagricultural wage and salary employment index. This seasonally adjusted index is a good measure of job trends in the State and is based solely on a monthly survey of Oregon employers. Only once in the past twelve months (April) has this indicator declined. The employment index for November 1988 was 124.3, which was 5.9 points higher than November of last year. This is definitely a strong gain and represents the highest level ever recorded by the index! Just an example of another record going by the wayside.

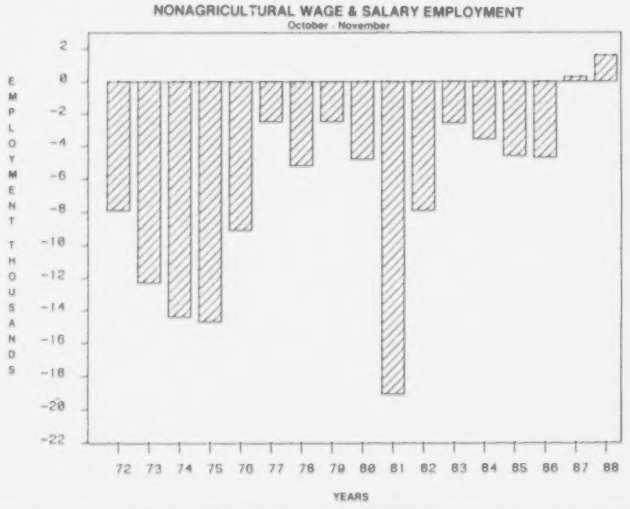
The 1988 annual average unemployment rate for Oregon will probably be in the neighborhood of 5.9%, the lowest in 19 years!

Oregon's seasonally adjusted jobless rate in November maintained a steady course remaining unchanged at 5.6%. Although comparisons between this year and 1987 are not strictly comparable, the November 1987 rate was 5.5%. This "holding steady" over the year in the jobless rate and a nearly 5% growth in nonagricultural wage and salary employment indicates that Oregon is continuing to enjoy the rewards of an improving economy. An additional element to consider is that the 1988 annual average unemployment rate for Oregon will probably be in the neighborhood of 5.9%, the lowest in 19 years!

Looking at specific industries and their recent performance in terms of employment the following perspectives are offered.

- Lumber and wood products exceeded seasonal expectations, chiefly due to loggers remaining on the job in spite of the wet and cold weather. This could be the start of another busy winter for the industry. A handful of plant closures in recent months and two new labor disputes, however, provided some moderation to the otherwise good news.
- Other durable goods posted a drop of 1,500 jobs in November with the completion of a ship repair contract and a loss of 400 jobs in the high-tech industries of electronic computing & calculating equipment and instruments & related products. The number of employees for 1988 in the high-tech industry is expected to remain slightly above 1987 but will fall short of the levels of 1980 through 1986.
- Construction tock heavy seasonal job losses last month but still managed to post the best November employment since 1980. Nonresidential contractors continued to show strength with 5,800 employees, a trend expected to continue in the near future as concerns over higher interest rates are partially offset by the number of commercial and industrial projects which are already active.
- Transportation showed an unusual gain in the number of jobs in November with 22,400, a new all-time high, coming in trucking and warehousing. At this time of year seasonal activity is shifting from food toward Christmas trees. In addition, the continued activity in logging has also benefitted the trucking industry as the logs are hauled to the mills.
- Trade employment made a less than notable showing in November due chiefly to earlier than usual seasonal hiring which began in October. However, when the two months are combined, the number of jobs in the industry shifts into the "exceeding normal seasonal expectations" category.
- Services provided by far the biggest surprise with a seasonally adjusted gain of 4,200 at a time of year when a loss is expected. This marked the highest number of November services jobs ever recorded; a gain of 42,100 in just the past three years. Business services, in the form of temporary help agencies and security & detective agencies, helped lead the way. An early start to the ski season also had a major impact by spurring an increase in the number of jobs for the amusements & recreation industry.
- Government, along with services, supplied most of the new jobs in November, with the combination of full school year employment in community colleges and local schools. The 12,900 employees in community colleges and 68,400 in





RESIDENT OREGON LABOR FORCE

	NOV.[1] 1988	OCT.[2] 1988	CHANGE	%CHANGE	NOV.[5] 1987
CIVILIAN LABOR FORCE[3]	1,423,100	1,413,800	9,300	0.7	1,405,500
UNEMPLOYMENT	77,800	70,000	7,800	11.1	75,700
PERCENT OF LABOR FORCE	5.5	5.0	XXX	XXX	5.4
SEASONALLY ADJUSTED PERCENT	5.6	5.6	XXX	XXX	5.5
TOTAL EMPLOYMENT[4]	1,345,300	1,343,800	1,500	0.1	1,329,800

[1]*Preliminary.*
[2]*Revised.*
[3]*Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job-holding and commuting.*
[4]*Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants.*
[5]*Due to revised estimating procedures between December 1987 and January 1988, data for 1988 and that of previous years are not strictly comparable.*

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK)

INDUSTRY		NOV.[1] 1988	OCT.[2] 1988	CHANGE FROM NOV. 1987	CHANGE FROM OCT. 1988	CHANGE FROM NOV. 1987
TOTAL[3]	1,176,800	1,175,200	1,121,400	1,600	55,400	
WAGE & SALARY EMPLOYMENT INDEX[4]		124.3	123.4	118.4	XXX	XXX
TOTAL MANUFACTURING		213,000	218,200	208,900	-5,200	4,100
DURABLE GOODS		155,300	157,100	152,000	-1,800	3,300
LUMBER & WOOD PRODUCTS		68,900	69,200	68,800	-300	100
LOGGING & SAWMILLS		35,000	35,300	35,300	-300	-300
VENEER & PLYWOOD		17,300	17,200	17,800	100	-500
MILLWORK & STRUCTURAL WOOD		10,900	10,900	10,300	0	600
MOBILE HOMES		1,800	1,800	1,500	0	300
OTHER WOOD PRODUCTS		3,900	4,000	3,900	-100	0
FURNITURE AND FIXTURES		2,500	2,600	2,600	-100	-100
STONE, CLAY, GLASS & CONCRETE		3,800	4,000	3,500	-200	300
PRIMARY METALS		10,500	10,400	9,700	100	800
BLAST FURNACES, IRON & STEEL		6,200	6,200	5,800	0	400
NONFERROUS METALS		4,300	4,200	3,900	100	400
FABRICATED METALS		11,300	11,400	10,400	-100	900
FABRICATED STRUCTURAL METALS		5,100	5,100	4,500	0	600
OTHER FABRICATED METALS		6,200	6,300	5,900	-100	300
MACHINERY		16,500	16,500	15,900	0	600
ELECTRICAL EQUIPMENT & SUPPLIES		15,500	15,400	13,800	100	1,700
TRANSPORTATION EQUIPMENT		11,800	12,700	11,700	-900	100
INSTRUMENTS & RELATED PRODUCTS		11,300	11,600	12,200	-300	-900
MISCELLANEOUS MANUFACTURING		3,200	3,300	3,400	-100	-200
NONDURABLE GOODS		57,700	61,100	56,900	-3,400	800
FOOD & KINDRED PRODUCTS		23,300	26,800	23,300	-3,500	0
CANNING & PRESERVING		11,900	15,400	12,100	-3,500	-200
OTHER FOOD PRODUCTS		11,400	11,400	11,200	0	200
TEXTILE MILL PRODUCTS		1,800	1,800	1,800	0	0
APPAREL		3,200	3,100	2,600	100	600
PAPER & ALLIED PRODUCTS		8,700	8,600	9,100	100	-400
PRINTING & PUBLISHING		13,500	13,500	13,200	0	300
CHEMICALS & ALLIED PRODUCTS		2,100	2,100	2,000	0	100
PETROLEUM REFINING		400	500	500	-100	-100
RUBBER & PLASTIC PRODUCTS		4,300	4,300	4,000	0	300
LEATHER PRODUCTS		400	400	400	0	0
TOTAL NONMANUFACTURING		963,800	957,000	912,500	6,800	51,300
MINING & QUARRYING		1,500	1,500	1,500	0	0
CONSTRUCTION		38,300	41,100	35,900	-2,800	2,400
TRANSPORTATION, COMMUNICATIONS, & UTILITIES		61,200	60,900	59,000	300	2,200
TRANSPORTATION		39,600	39,400	37,800	200	1,800
RAILROAD		3,900	4,000	3,900	-100	0
TRUCKING & WAREHOUSING		22,400	22,100	21,800	300	600
OTHER TRANSPORTATION		13,300	13,300	12,100	0	1,200
COMMUNICATIONS		12,900	12,800	12,500	100	400
UTILITIES		8,700	8,700	8,700	0	0
TRADE		306,200	304,600	286,700	1,600	19,500
WHOLESALE TRADE		76,700	77,800	70,800	-1,100	5,900
DURABLE GOODS		45,100	44,700	41,300	400	3,800
NONDURABLE GOODS		31,600	33,100	29,500	-1,500	2,100
RETAIL TRADE		229,500	226,800	215,900	2,700	13,600
GENERAL MERCHANDISE		31,600	30,200	30,600	1,400	1,000
FOOD STORES		39,300	39,500	35,200	-200	4,100
AUTO DEALERS & SERVICE STATIONS		27,200	27,500	25,700	-300	1,500
OTHER RETAIL TRADE		131,400	129,600	124,400	1,800	7,000
FINANCE, INSURANCE, & REAL ESTATE		74,300	74,400	71,500	-100	2,800
BANKING & CREDIT AGENCIES		23,900	23,900	23,600	0	300
OTHER FINANCE, INSURANCE, & REAL ESTATE		50,400	50,500	47,900	-100	2,500
SERVICES		263,100	260,000	245,700	3,100	17,400
HOTELS & PERSONAL SERVICES		26,400	26,500	25,400	-100	1,000
HEALTH SERVICES		79,700	79,500	75,700	200	4,000
OTHER SERVICES		157,000	154,000	144,600	3,000	12,400
GOVERNMENT		219,200	214,500	212,200	4,700	7,000
FEDERAL GOVERNMENT		31,100	31,500	30,700	-400	400
STATE GOVERNMENT		60,500	60,100	59,000	400	1,500
EDUCATION		25,900	25,200	25,600	700	300
OTHER STATE		34,600	34,900	33,400	-300	1,200
LOCAL GOVERNMENT		127,600	122,900	122,500	4,700	5,100
EDUCATION		81,300	77,800	78,800	3,500	2,500
OTHER LOCAL		46,300	45,100	43,700	1,200	2,600
LABOR – MANAGEMENT DISPUTES		1,200	800	100	400	1,100

[1]*Preliminary.*
[2]*Revised.*
[3]*Includes full and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. Note: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.*
[4]*Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's Annual Average Employment (774,300) and that of 1977 (936,900).*

local schools was the highest employment level ever reached by these groups. Local government, not education oriented, rose by 1,200 in November to reach 46,300; much of this was due to the increase in the number of election workers.

Many records have been broken this month, as well as throughout 1988, in regard to Oregon's economic health.

If current trends in Oregon's employment levels continue for one more month, it is estimated that the 1988 nonagricultural wage and salary jobs growth rate could be as high as 4.1 percent; the highest since 1984 when Oregon experienced a 4.2% growth rate. In spite of several economists and lay persons, myself included, having predicted a downturn in Oregon's economic health during 1988, it doesn't appear at this point as if that prediction will materialize. Instead, this will be the third straight year that Oregon's economy has improved over the previous year.

In retrospect, my early comments in this article about a record being broken should be adjusted to the plural. Many records have been broken this month, as well as throughout 1988, in regard to Oregon's economic health. December should continue to set records in a positive manner. "Steady as she goes" certainly seems an appropriate description for this month's activity and good advice for December. □

1988 YEAR IN REVIEW

Jeff Hannum

"How will Oregon's economy fare in 1988? Not as good as in 1987, which will probably go down as the best year of the 1980s, but better than you might think, especially in light of last fall's stock market crash . . . or was it a correction?"

As I wrote these prophetic words in my "1988 Economic Outlook" article (**Oregon Labor Trends** January 1988), my all-knowing crystal ball was telling me that the economy could go in any direction depending upon the reaction of consumers, the Federal Reserve Board, and other key players in the world economy. When I begged my oracle to be just a little bit more specific (or at least tell me who would win the Presidential election), there was a long pause, the lights began to flicker and fade, and then I heard a voice saying . . . "read my lips." Then the oracle vanished! Gone! I was on my own.

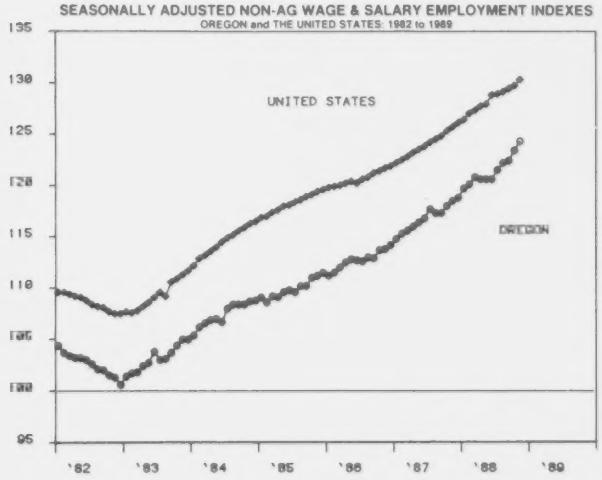
Since I had a deadline staring me in the face for completing my **Labor Trends** article (not unlike the present), I decided that the stock market crash would not lead to a recession in 1988. Instead, it would buy more time for an aging economic expansion since the Federal Reserve and foreign Central Banks had abruptly reversed their tight money policies following "Black Monday," October 19. Instead of fighting the inflation bogeyman, government economic policymakers both here and abroad had decided they would rather switch than fight, so to speak. As a result, money growth rates accelerated, interest rates declined, and federal budget cuts, talk of tax increases, and concern over inflation receded into the background. The number one focus of policymakers had switched to preventing a recession (or even a depression?) since this could be disastrous in view of the magnitude of financial imbalances in the economy today (i.e. huge federal budget and foreign trade deficits, record levels of consumer, corporate and federal government debt, shaky third world loans, etc).

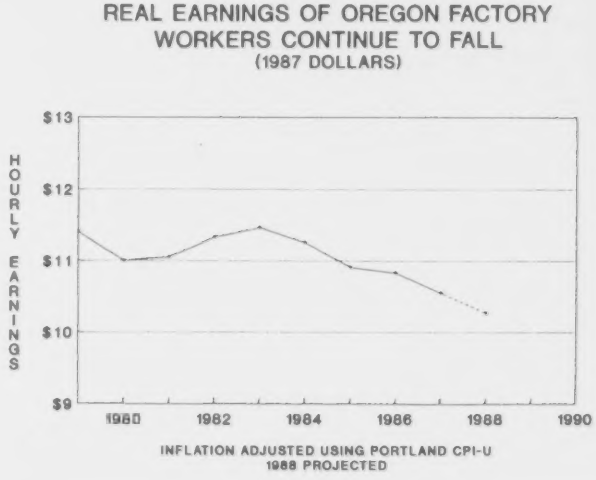
I concluded that the long economic expansion in Oregon and the Nation would be sustained through at least 1988, although total employment in the State would probably grow more slowly and "the unemployment rate may well rise a little from 1987's [6.2%] average."

We can all look back on a year which has exceeded even our wildest dreams!

Now it is December and we can all look back on a year which has exceeded even our wildest dreams! In fact, the U.S. economy has bounced back so well, the Federal Reserve reverted last spring to its former policy of trying to slow the rate of economic growth in order to keep inflation under control. As a result, short and long term interest rates have been rising since last spring, and they are still climbing.

While this trend will pose some problems for Oregon in 1989, it hasn't done much yet to slow the torrid pace of the state's economy. In some respects, 1988 will be the best year of the 1980s! In fact, so many economic and labor market records were broken, I can't keep track of all of them. They would





include "highest evers" for total population, labor force, total employment (as well as many specific industries, mostly in service-producing sectors), labor force participation rate, proportion of the population employed, hourly earnings in manufacturing, and probably other income measures such as annual average earnings of all workers covered by unemployment insurance, per capita personal income, etc.

The typical factory worker's real hourly pay in terms of purchasing power has fallen every year since 1983.

These income "records," however, are very misleading because they are not adjusted for inflation. For example, average hourly pay of Oregon's manufacturing production workers is expected to rise from $10.55 per hour in 1987 to $10.69 in 1988, a new all-time high. But if this hourly earnings time series is adjusted for inflation using the Portland CPI-U we find that the typical factory worker's real hourly pay in terms of purchasing power has fallen every year since 1983, for a cumulative loss of $1.20 per hour. Total purchasing power in the State, however, has continued to grow due to rising population, record employment levels, and more total hours worked.

Nonfarm wage and salary employment is expected to average a new all-time high of 1,138,400 in 1988, an increase of over 44,000 jobs, or 4.1%. This employment growth rate will probably rank Oregon among the top ten states in 1988. Nonfarm payroll employment in the U.S. is expected to rise by 3.5% this year.

Employment growth in Oregon was once again fairly broad-based with both goods-producing and service-producing industries showing solid gains. Most of the state's manufacturing industries continued to expand reflecting the ongoing export boom and high levels of capital spending for business equipment by domestic firms. Even the state's lumber and wood products industry managed a small increase in annual average employment between 1987 and 1988 despite a rash of labor-management disputes during the summer months, forest fire-related curtailments in late summer, an 11% drop in national housing starts, growing log supply shortages, and rising stumpage prices for virtually all species.

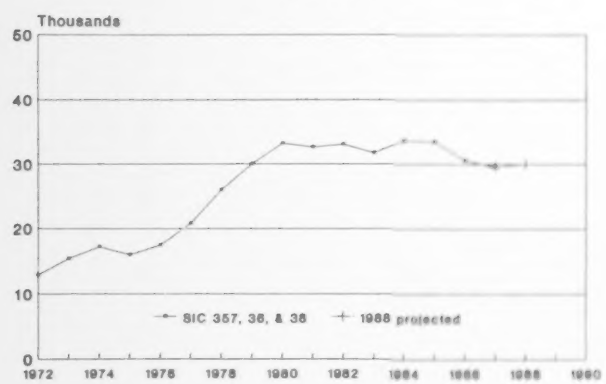
Although overall production of wood products will decline this year after several years of record production, this trend was cushioned by a surge in exports, especially for logs and lumber. The volume of softwood lumber exported during the first nine months of 1988 through the Columbia-Snake Customs District (549 million board feet) was over 43% higher than the same period a year ago. In terms of value, these exports represented $244 million, an increase of 38% over the same period in 1987.

While few people would question the economic value of exporting finished lumber (or other more highly processed wood products) from Oregon, the practice of exporting raw logs from private and state-owned timberlands is a much more controversial issue. At a time when log supply shortages are becoming more common and some mills are closing permanently because of reduced timber supplies and rising stumpage prices, log exports have been soaring! During the first nine months of 1988, the volume of logs exported through the Columbia-Snake Customs District (1.1 billion board feet) increased by over 28%. Because of the cheap dollar, the high quality of export logs, and rising stumpage prices (the value of export logs will average nearly $500 per thousand board feet this year), the total value of these log exports (January through September) came to $543 million, an increase of over 52% from the same period a year ago.

Another important manufacturing sector which will probably show a small gain in average employment in 1988 despite some problems and layoffs earlier this year is electronics. This sector is actually composed of three separate industry categories showing divergent employment trends. Electronic computing and calculating equipment (SIC 357) will lose about 700 jobs, bringing employment to its lowest level (3,400) since 1979. Instruments and related products (SIC 38) will also drop employment by several hundred to 11,800, its lowest level in 15 years. The one bright spot this year has been electrical equipment and supplies (SIC 36) which has grown by over 11 percent, or 1,500 jobs, over the past year. Much of this growth is the result of new plants or expansions by Japanese-owned high-tech companies. Taken together, these electronics industries will employ about 500 more workers in 1988. At 30,100, however, the high-tech workforce will still be the second lowest since 1979.

The revitalization of manufacturing was also apparent in many other industries in 1988, including primary and fabricated metals, transportation equipment, apparel, printing and publishing, and plastics. Another industry, paper and allied products, was operating at virtually full capacity, but because of labor disputes, employment levels will average slightly less in 1988. The manufacturing sector as a whole is expected to employ an average of 211,000 workers in 1988, an increase of 6,100, or 3.0% over the year. This will represent

ELECTRONICS INDUSTRY EMPLOYMENT IN OREGON



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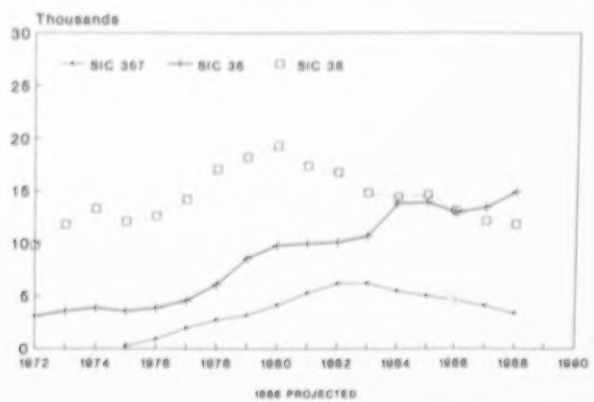

the best year for manufacturing jobs since 1980.

Oregon's construction industry turned in an even better performance in 1988, adding 2,700 workers, a 7.8% gain. This was the hardest hit of any industry during the last recession, and in 1988 will average over 37,000, the highest level since 1981. The rising volume of construction activity in Oregon during 1988 is especially remarkable when you consider that interest rates have been moving higher since last spring. Furthermore, the gains have come almost across the board. Although housing starts have declined about 11% nationally, they are up in Oregon for both single and multi-family units. Commercial, industrial and public facilities construction activity is also up strongly this year and will carry through 1989.

Service-producing industries added new jobs at an even faster rate in 1988 (4.2%) than in 1987 (3.5%). This sector, which includes all of the nonmanufacturing industries except mining and construction, accounted for 80% of the 44,400 new wage and salary jobs in 1988. Factors behind this rapid growth include another record year for tourism and related hospitality industries, strong population (+49,000) and economic growth over the year, the opening of several retail chain stores new to Oregon, and the irrepressible expansion of medical and business service.

As if this wasn't enough, even Oregon's economic Achilles' heel, agriculture, posted a dramatic rebound in 1988. Preliminary estimates from the OSU Extension Service indicate that gross farm sales soared by about 14.5% to $2.3 billion, a new record high! Since farm expenses will not exhibit a similar increase, one agricultural economist estimated that 1988 could be one of the highest net income years for Oregon agriculture in a long time. The farm value of all crop sales jumped 17%, with the strongest gains recorded for grains (up 35%) and grass and legume seed (up 32%). The only major crop category to show a loss was small fruits and berries (-5%), primarily reflecting lower prices due to high carry over supplies and another record production year for strawberries.

The farm labor situation took a different twist in 1988. Last year, the strawberry crop ripened early before schools closed for summer vacations and before many migrant workers had arrived in Oregon. Uncertainty over the new Immigration Reform and Control Act also kept many migrants from coming to the State. Many growers were concerned that a labor shortage would occur again this year. Instead, just the opposite happened. Cool, wet weather in the spring delayed the strawberry and cherry harvests. But many migrant workers had arrived much earlier than usual due to misinformation about the provisions of the new Immigration Reform Act.

The value of all livestock and poultry products also jumped in 1988 (up 9%), led by a 15% increase in the value of cattle and calves. A major reason for the dramatic upturn in overall farm sales this year was the severity of the Midwest drought which pushed prices much higher for grains, vegetable and other farm commodities. Although the Pacific N.W. has experienced below normal moisture over the past several years, we did benefit from a cool and very wet spring.

To sum up, Oregon's economy had a banner year in 1988, with most economic sectors posting strong employment gains. In fact, the demand for workers even began to outstrip the available supply across a wide range of industries and occupations. The strong economy coupled with a demographic trend toward fewer young adults in the population lowered the number of unemployed persons to about 84,600, the lowest level since 1979. Oregon's jobless rate in 1988 is expected to average about 5.9%, down slightly from 1987's 6.2%. At that level, it would be the lowest rate for Oregon since the current procedure for estimating unemployment began in 1970.

As further evidence of the booming labor market this year, the Oregon Employment Division received nearly 110,000 nonfarm job openings during the first eleven months of 1988, an increase of over 18% from the same period last year. In addition, nonfarm job placements numbered about 74,000, an 11.2% annual increase. One of the most telling indicators of the current state of the labor market is the volume of nonfarm job openings which have been unfilled for 30 days or longer. At the end of November, the Employment Division had nearly 14,600 such "hard-to-fill" job openings, an increase of 60% over last November. Will 1989 bring more of the same? We'll explore that question in next month's **Labor Trends**. □

SELECTED ECONOMIC INDICATORS FOR OREGON, 1979-88

Year	Total Population (000)	Civilian Labor Force (000)	Unemployment Number (000)	Unemployment Rate (%)	Nonfarm Wage & Salary Employment (000)	Mfg. (000)	Nonmfg. (000)	Real Ave. Hrly Earnings in Mfg. (1987 dollars) ($)	Portland CPI-U (Ann. Ave. Chg.) (%)
1979	2,584.4	1,217.0	83.0	6.8	1,056.2	228.5	827.7	11.41	13.6
1980	2,639.9	1,295.0	107.0	8.3	1,044.6	215.1	829.5	11.00	13.2
1981	2,660.7	1,337.0	132.0	9.9	1,018.4	202.7	815.7	11.05	8.9
1982	2,656.2	1,324.0	153.0	11.5	960.8	185.7	775.1	11.34	3.2
1983	2,635.0	1,341.0	145.0	10.8	966.7	188.8	779.1	11.47	1.1
1984	2,660.0	1,335.0	125.0	9.4	1,006.9	201.1	805.8	11.26	3.7
1985	2,675.8	1,316.0	116.0	8.8	1,030.0	199.3	830.7	10.91	3.8
1986	2,661.5	1,360.0	115.0	8.5	1,058.5	198.4	860.1	10.83	1.4
1987	2,690.0	1,388.0	86.0	6.2	1,094.0*	204.9*	889.1*	10.55*	2.5
1988	2,739.0	1,424.2**	84.6**	5.9**	1,138.4**	211.0**	927.4**	10.27**	4.1**
(1987-88 change)	49.0	36.2	-1.4	-0.3	44.4	6.1	38.3	-0.28	1.6

* Preliminary data

** Projected annual averages

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Duane Ackerson

The 1988 Economic Outlook

Oregon's economy may not be as strong in 1988 as in 1987, but will still show strength, with greater capital spending and demand offsetting declines in consumer spending and housing demand; Jan., page 4.

The Oregon Population Estimates (1987) Ride Again!

After a population decline in the July 1985 - July 1986 period, Oregon's population rose by 28,500 in 1986-'87, a 1.1% increase; Jan., page 7.

Revised Employment Data Confirm Strong 1987

The 1987 Benchmark of 1986 and 1987 employment data resulted in the smallest revisions in recent memory, with changes of +0.2% for 1986 and -0.1% for 1987; Feb., page 9.

Long-Range (Employment) Weather Forecast

Discusses caveats involving economic forecasting and methodologies for forecasting Oregon unemployment and labor force participation rates, as well as labor force and employment predictions through Year 2000; Feb., page 10.

New Enterprise Zones

With the Governor's Dec. 31, 1987 designation of five new enterprise zones, Oregon has 25 zones in which qualified businesses can receive property tax exemptions; Feb., page 12.

Regional Strategies: A Program of Choice

Discusses steps involved in creating a regional economic development strategy and standards for these strategies; March, page 10.

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS[1]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Oct.[2] 1988	Sept.[3] 1988	Oct. 1987	Oct.[2] 1988	Sept.[3] 1988	Oct. 1987	Oct.[2] 1988	Sept.[3] 1988	Oct. 1987
TOTAL MANUFACTURING[4]	$431.47	$417.38	$405.46	40.4	39.6	38.8	$10.68	$10.54	$10.45
Durable Goods	444.04	423.26	411.17	40.7	39.3	38.9	10.91	10.77	10.57
Lumber & Wood Products	450.72	413.88	398.87	40.9	38.5	37.7	11.02	10.75	10.58
Logging & Sawmills	494.02	426.16	404.77	41.1	36.3	35.6	12.02	11.74	11.37
Veneer & Plywood	437.54	440.77	410.57	41.2	41.7	39.9	10.62	10.57	10.29
Millwork & Structural	351.60	350.15	365.72	40.0	39.7	40.5	8.79	8.82	9.03
Mobile Homes	337.65	327.55	335.62	38.9	38.4	36.8	8.68	8.53	9.12
Other Wood Products	426.62	418.00	409.07	41.1	40.0	39.6	10.38	10.45	10.33
Furniture & Fixtures	358.36	313.82	339.45	38.7	35.5	36.5	9.26	8.84	9.30
Primary Metals	508.41	522.06	497.12	41.2	42.0	41.6	12.34	12.43	11.95
Fabricated Metals	391.31	392.35	363.77	40.3	40.2	39.8	9.71	9.76	9.14
Machinery (Ex Electrical)	449.44	434.56	455.33	40.6	38.8	40.8	11.07	11.20	11.16
Nondurable Goods	397.79	400.79	389.38	39.7	40.2	38.4	10.02	9.97	10.14
Food & Kindred Products	317.54	320.38	313.12	39.3	39.7	38.0	8.08	8.07	8.24
Canning & Preserving	281.47	279.70	271.93	39.7	39.9	38.3	7.09	7.01	7.10
Other Food Products	388.16	411.33	388.29	38.7	39.1	37.3	10.03	10.52	10.41
Textile Mill Products	235.17	221.78	240.07	35.1	33.4	36.1	6.70	6.64	6.65
Apparel	244.29	241.40	225.09	38.9	38.5	36.6	6.28	6.27	6.15
Paper & Allied Products	679.04	674.31	637.30	43.5	45.5	40.8	15.61	14.82	15.62
Printing & Publishing	453.28	479.70	434.50	37.9	39.0	37.2	11.96	12.30	11.68
Construction[4]	538.88	550.93	514.30	37.5	38.1	37.0	14.37	14.46	13.90
Communications & Utilities[5]	533.75	535.66	518.00	40.9	41.3	40.0	13.05	12.97	12.95
Trade[5]	311.61	312.55	291.54	34.7	35.0	33.9	8.98	8.93	8.60
Wholesale Trade	412.72	413.22	391.95	38.5	38.8	37.4	10.72	10.65	10.48
Retail Trade	258.66	259.38	240.11	32.7	33.0	32.1	7.91	7.86	7.48
Banking & Insurance[5]	356.43	344.70	318.17	38.7	38.6	37.3	9.21	8.93	8.53
State & Local Government	379.36	397.14	366.41						

[1]Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.

[2]Preliminary

[3]Revised

[4]Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.

[5]Data for nonsupervisory employees only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

Regional Strategies: A Program of Choice

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